

Bylaws of the Scientific and Medical Research Funding
("Research Funding") Working Group

ARTICLE 1. Authority.

The Scientific and Medical Research Funding ("Research Funding") Working Group ("RFWG") of the Independent Citizen's Oversight Committee ("ICOC") to the California Institute for Regenerative Medicine ("Institute") is established by Chapter 3, section 125290.50 and section 125290.60 of the Health & Safety Code, also known as the California Stem Cell Research and Cures Bond Act ("Act").

ARTICLE II. Purpose.

The RFWG is created for the purpose of recommending standards, criteria and grant and loan awards to the ICOC. This purpose will be accomplished through the review of grants and loan applications, based on standards and criteria adopted by the ICOC, in order to make recommendations to the ICOC for the award of training, research, therapy development, and clinical trial grants and loans. Finally, this purpose will be accomplished through oversight reviews of grantees to ensure compliance with the terms and conditions of the award in order to fulfill the mission of the Act, and to make recommendations for subsequent actions to the ICOC.

ARTICLE III. Functions.

The duties of the RFWG shall include the following:

- (A) Recommend to the ICOC interim and final criteria, standards and requirements for considering funding applications and for awarding grants and loans;
- (B) Recommend to the ICOC standards for the scientific and medical oversight of awards;
- (C) Recommend to the ICOC any modifications of the criteria, standards and requirements described in sections (A) and (B) above as needed;
- (D) Review grant and loan applications based on the criteria, requirements and standards adopted by the ICOC and make recommendations to the ICOC for the award of grants and loans to promote training, research, therapy development, and clinical trials;
- (E) Oversee peer-group reviews of grantees to ensure compliance with the terms of the award, and report to the ICOC any recommendations for subsequent action;
- (F) Recommend to the ICOC standards for the evaluation of grantees to ensure that they comply with all applicable requirements. Such standards shall mandate periodic

reporting by grantees and shall authorize the RFWG to audit a grantee and forward any recommendations for action to the ICOC.

ARTICLE IV. RFWG Membership, Selection, and Terms of Service

Section 1 (Method of Appointment) Members of the RFWG shall be appointed by the ICOC.

Section 2 (Appointment). The RFWG shall have 23 members composed of: (1) seven ICOC members from the ten (10) disease advocacy group members (“Patient Advocate Members”) described in paragraphs (3), (4), and (5) of subdivision (a) of Section 125290.20 of the Act; (2) fifteen (15) scientists (“Scientist Members”) nationally recognized in the field of stem cell research from institutions outside the State of California, and; (3) the Chairperson of the ICOC.

Section 3 (Term of Service). RFWG members shall normally serve for six (6) years except that after the first six-year term the members’ terms will be staggered so that one-third of the members shall be appointed for a term that expires two years later, one-third of the members shall be appointed for a term that expires four years later, and one-third of the members shall be appointed for a term that expires six years later. Subsequent terms are for six years. In the event that a RFWG member resigns prior to completing his or her term of service, incoming members appointed by the ICOC shall be invited to serve for a term of two (2), four (4), or six (6) years. RFWG members may serve a maximum of two consecutive terms.

Section 4 (Expiration of Term). When a member’s term expires, the ICOC shall appoint a new member within 30 days. RFWG members shall continue to serve until their replacements are appointed.

Section 5 (Alternate Scientist Members). Individuals with strong scientific expertise in stem cell research may be appointed by the ICOC to serve as Alternate Scientist Members of the RFWG. Alternate Scientist Members may serve in place of a Scientist Member of the RFWG who is unavailable to attend a meeting. Alternate Scientist Members have voting privileges in the RFWG and their presence is counted towards a quorum. In the event that a Scientist Member resigns from the RFWG, an Alternate Scientist Member may be confirmed by the ICOC as a replacement.

Section 6 (Ad Hoc Members) Individuals with strong scientific expertise in stem cell research or on a particular issue may occasionally attend meetings of the RFWG when a Scientist Member is unavailable to attend a meeting. Ad Hoc members have voting privileges and their presence is counted towards a quorum.

Section 7 (Specialists) Individuals with scientific expertise on a particular issue may occasionally be invited to attend meetings of the RFWG for the purpose of providing evaluation or expertise with respect to specific grant(s) or research fields. Specialist members do not have voting privileges and their presence is not counted towards a quorum.

Section 8 (Chair of RFWG)

- (A) **(Appointment)** The ICOC shall appoint a Scientist Member of the RFWG to serve as Chair of the RFWG.
- (B) **(Duties)** The Chair of the RFWG shall preside over the scientific evaluation of grants described herewith in Article VI, Section 2(A).

Section 9 (Vice-Chair of RFWG)

- (A) **(Appointment)** The ICOC shall appoint as Vice-Chair of the RFWG a Patient Advocate member of the ICOC.
- (B) **(Duties)** The Vice-Chair of the RFWG shall preside over the grant and loan recommendation procedures described herewith in Article VI, Section 2(B).

Section 10 (Compensation and Expenses of RFWG Members).

- (A) **ICOC Members** – Each member of the RFWG who is also an ICOC member, except the chairperson, shall receive a per diem of one hundred dollars (\$100) per day (adjusted annually for cost of living) for each day the member attends a RFWG meeting, plus reasonable and necessary travel and other expenses incurred in the performance of the member's duties. In addition, compensation in the amount of \$12.50 per hour shall be paid to ICOC members of the RFWG for time spent in preparation for a meeting of the RFWG.
- (B) **Non-ICOC Members** – Non-ICOC members of the RFWG shall be entitled to a daily consulting rate and reimbursement for expenses, as established by the ICOC.

Section 11 (Conflict of Interest). All non-ICOC members of the RFWG shall be governed by conflict of interest rules and economic disclosure requirements adopted by the ICOC. ICOC members shall be governed by California conflict of interest laws, as set forth in Health and Safety Code section 125290.30(g) and the conflict of interest policy for ICOC members adopted by the ICOC.

ARTICLE V. Duties of RFWG Members.

Section 1 (Scientist Members). The fifteen (15) Scientist Members of the RFWG are responsible for evaluating and scoring grant and loan applications for scientific merit, and for recommending, along with the other members of the RFWG, grant and loan funding awards to the ICOC.

Section 2 (Patient Advocate Members). The seven (7) Patient Advocate members of the RFWG, together with the Scientist Members, are responsible for recommending grant and loan funding awards to the ICOC.

Section 3 (Alternate Scientist Members). At the discretion of staff, Alternate Scientist Members may serve as substitutes for RFWG Scientist Members when a Scientist Member cannot attend a RFWG meeting. Alternate Scientist Members shall perform the same duties as Scientist Members.

Section 4 (Ad Hoc Members) Ad Hoc members are responsible for attending meetings of the RFWG for the purpose of providing scientific expertise on a particular issue(s), area or field and, at the discretion of the staff, may serve as a substitute for a RFWG Scientist Member when a Scientist Member cannot attend a RFWG meeting. Ad Hoc members shall perform the same duties as Scientist Members.

Section 5 (Specialists). Specialists may be invited by the staff to participate in meetings of the RFWG for the purpose of providing scientific expertise on a particular issue(s), area, or field and/or for a specific grant application.

ARTICLE VI. Meetings.

Section 1 (Regular Meetings). The RFWG shall hold at least four meetings per year, one of which will be designated as its annual meeting. The RFWG may hold additional meetings as the CIRM determines are necessary or appropriate. The annual meeting shall be attended in person by RFWG members, any Alternate Members, and any Specialist/Ad Hoc Members.

Section 2 (Teleconference Meetings). At the discretion of staff, members of the RFWG may participate in meetings of the RFWG, with the exception of the annual meeting, by teleconference, provided that the public has the opportunity to participate in public sessions of the RFWG that are conducted by teleconference. Significant medical needs of members of the RFWG will be given a high priority in arranging teleconference meetings.

Section 3 (Open Meetings). The RFWG shall meet in public session except for discussions related to evaluation of grant applications and recommendation of applications to the ICOC, discussions related to appeals of RFWG recommendations, discussions related to the review of a grantee's compliance with the terms of the award, and discussions of other matters that may be considered in closed session under the Bagley-Keene Open Meeting Act or under Health & Safety Code section 125290.30. The RFWG may recommend additional exceptions to the ICOC as necessary to carry out the mission of the RFWG.

Section 4 (Special and Emergency Meetings). Special and emergency meetings may be called by the Chair if necessary.

ARTICLE VII. RFWG Procedure for Recommending Grant and Loan Applications.

Section 1 (Quorum). Sixty-five percent of the RFWG members who are eligible to vote shall constitute a quorum of the RFWG.

Section 2 (RFWG Recommendation Procedures).

(A) Unless excused due to conflicts, both ICOC and non-ICOC members of the RFWG shall be present in-person or via teleconference during the entire RFWG meeting, and may participate in all discussions.

(B) Scientific Evaluation and Scoring

1. The Chair of the RFWG shall preside over the scientific evaluation and scoring process.
2. The fifteen (15) Scientist Members of the RFWG shall evaluate each grant and loan application for scientific merit and assign a numerical value to each grant based on standards and criteria adopted by the ICOC. The criteria and standards for evaluation are hereby incorporated by reference into these Bylaws.
3. The average numerical score for each grant will be calculated and recorded as its scientific score.

(C) Funding Recommendations

1. Once grant and loan applications have been assigned a scientific score, all voting members of the RFWG shall place each grant and loan application into one of three categories by separate or by *en bloc* vote as appropriate:
 - a. **Recommended for Funding (Tier 1)** – Highly meritorious grant and loan applications that are recommended for funding to the ICOC.
 - b. **Recommended for Funding Pending Available Funds (Tier 2)** – Meritorious grant and loan applications that are recommended for funding to the ICOC pending available funds.
 - c. **Not Recommended for Funding (Tier 3)** – Grant and loan applications that are not sufficiently meritorious to be recommended to the ICOC.

Section 3 (Recommendations and Minority Reports). Recommendations of the RFWG to the ICOC shall be made by a majority vote of a quorum of the members of the RFWG. If thirty-five percent (35%) of the members of the RFWG join together in a minority position, a minority report may be submitted to the ICOC.

ARTICLE VIII. Rules of Order.

Debate and proceedings in the RFWG shall be conducted in accordance with Robert's Rules of Order (Newly Revised) when not in conflict with rules of the RFWG or other statutory requirements.

ARTICLE IX. Amendments.

These Bylaws may be amended or repealed by the ICOC at any regular or special meeting by a majority vote of a quorum of the ICOC. The RFWG may recommend amendments to these bylaws to the ICOC for its consideration.